C. DUKES SCOTT EXECUTIVE DIRECTOR



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DAN E ARNETT CHIEF OF STAFF

Phone: (803) 737-0800 Fax: (803) 737-0801

September 29, 2006

Joseph Melchers, Esquire South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, SC 29210

Re: Docket 2005-304-W

Public Water System #3250011; Suburban Water System d/b/a Blacksgate Bundrick Subdivision

Dear Mr. Melchers,

The above referenced matter was carried over by the Commission at their meeting held on May 9, 2006 at the request of the ORS. At that time ORS indicated that the Lexington County Joint Municipal Water and Sewer Commission ("Lexington") was beginning construction of the lines to connect this subdivision to the Lexington system and that we had been told that they anticipated completion of this line by sometime in July. We have recently been given an update by Lexington and the purpose of this letter is to inform you of what the ORS understands to be the current state of construction of this line.

On or about September 15, 2006 ORS contacted Mr. Gary Schmoltze of Lexington. Mr. Schmoltze informed this office that construction has still not begun on this line but that a bid has been accepted on the project. Mr. Schmoltze further informed this office that he met with members of the community on September 12, 2006 in order to get the exact number of customers to be connected to the Lexington system through this new construction. Lexington currently estimates that it will be yet another three months before the construction of these lines is completed.

We thank the Commission for its patience in this matter and request an additional delay on a final vote until such time as construction of the new line is complete and the customers of this system have the ability to be served by the Lexington Commission. ORS will continue to remain in contact with Lexington and will immediately inform the PSC once construction is completed.

Thank you for your consideration in this matter and should you have any questions concerning this request or the case in general, please contact me at your convenience.

Yours Truly,

JMN/pjm

cc: Etta Williams, Esq. (DHEC)

Darren Stevens (Suburban Water Company)

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OF SOUTH CAROLINA